



WE GO BEYOND TO ENABLE TRANSFORMATION

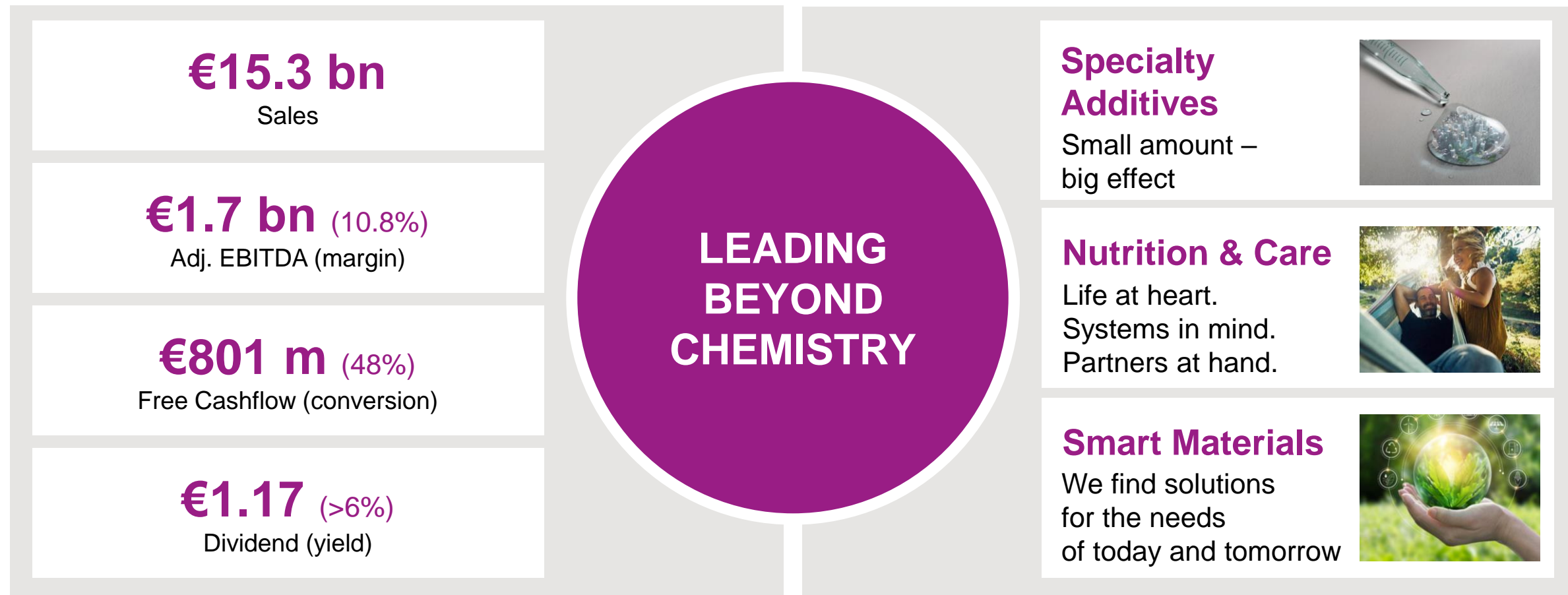
Company Presentation Q2 2024



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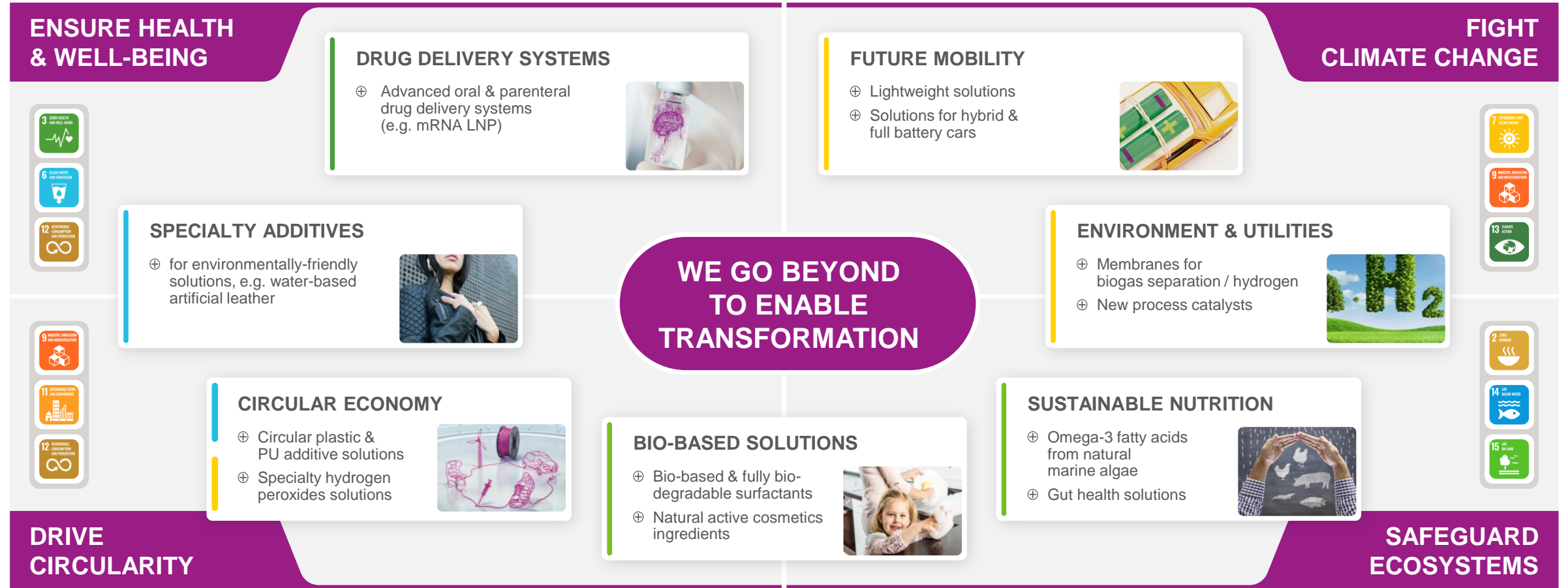
1. **Evonik at a glance**
2. Consistent strategy execution coming through in the numbers
3. Financial performance Q2 2024

Evonik at a glance



FY 2023

Evonik well positioned as enabler of transformation



Next Generation Evonik: Our strategy

Three major strategic levers...

... with sustainability fully integrated ...

... delivering on ambitious targets

Next Generation Portfolio

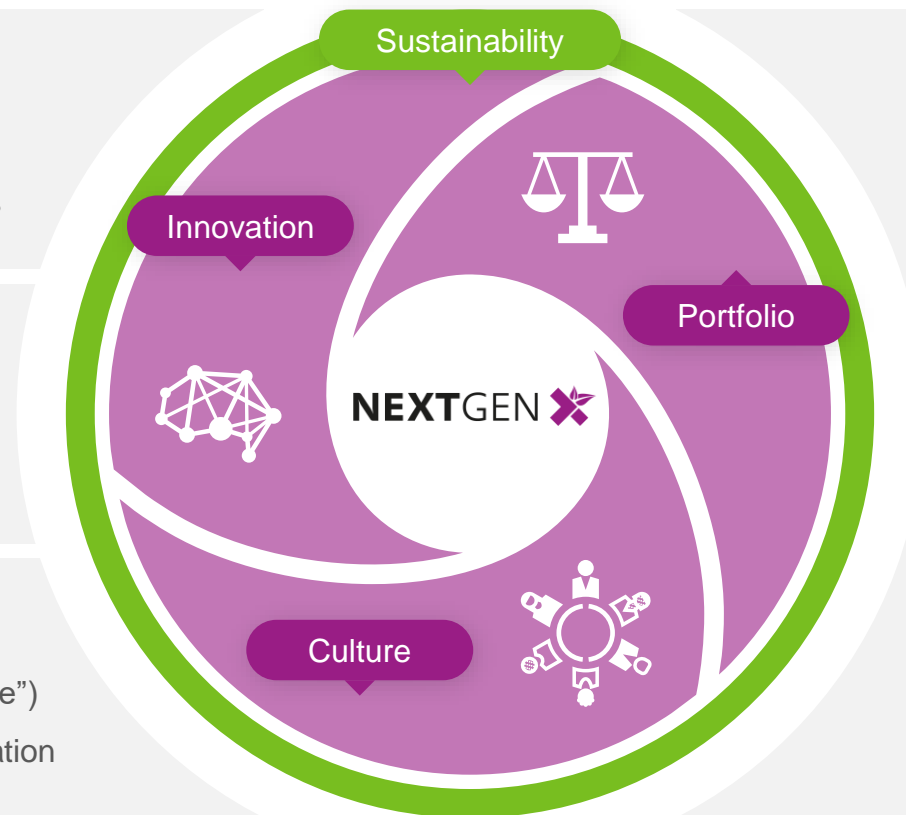
- + Exit Performance Materials division
- + Full focus on three attractive growth divisions

Next Generation Innovation

- + €1 bn new sales from Innovation Growth Fields by 2025 driven by new products such as membranes or rhamnolipids

Next Generation Culture

- + Employee empowerment (“Evonik Tailor Made”)
- + ESG targets integrated into mgmt. compensation



ESG Targets¹

- + >50% sales share of **NEXTGEN Solutions** ✖
- + -25% CO₂ emission reduction, e.g. via **NEXTGEN Technologies** ✖

Financial Targets

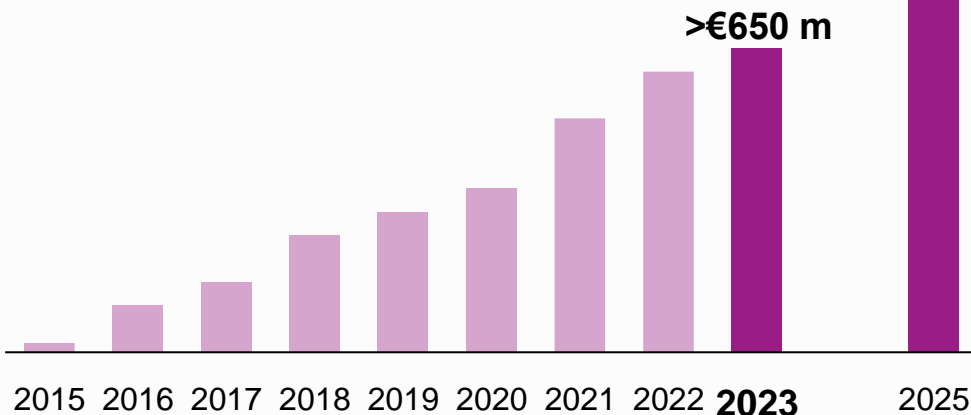
- + Organic growth >4%
- + EBITDA margin 18-20%
- + ROCE ~11%
- + FCF Conversion >40%

1. Until 2030

Customer-centric innovation as part of our DNA

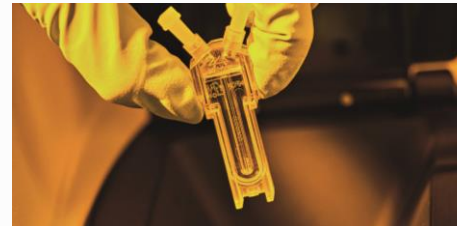
Innovation Growth Fields (sales in € m)

Targeting >€1 bn of sales by 2025
from six Innovation Growth Fields
at above Group margins



Cosmetic Solutions

- Expanding portfolio of innovative active cosmetic ingredients



Healthcare Solutions

- e.g. lipids for mRNA-based therapies
- US production facility under construction



Membranes

- For separation of biogas or the extraction of hydrogen
- New capacities coming 2025

Sustainability integrated in portfolio and strategic management processes

Excellent Rankings



Sector leading rankings

Evonik leading in most relevant ratings – “AA” MSCI ESG, “Top 5%” Sustainalytics, EcoVadis “Platin”, “B-” ISS Oekom and “A-” CDP

Environmental Targets



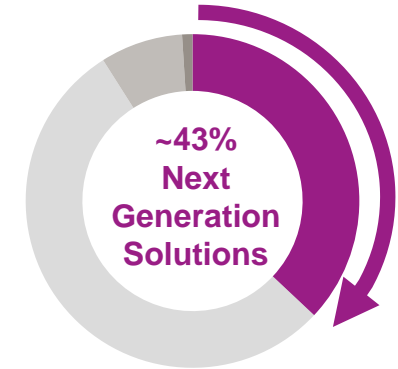
-25%

reduction of scope 1 and scope 2 emission until 2030 (vs. 2021)

Ambitious environmental targets

Evonik’s sustainability strategy with ambitious targets
Evonik will be climate neutral by 2050

Portfolio Management



**~43%
Next
Generation
Solutions**

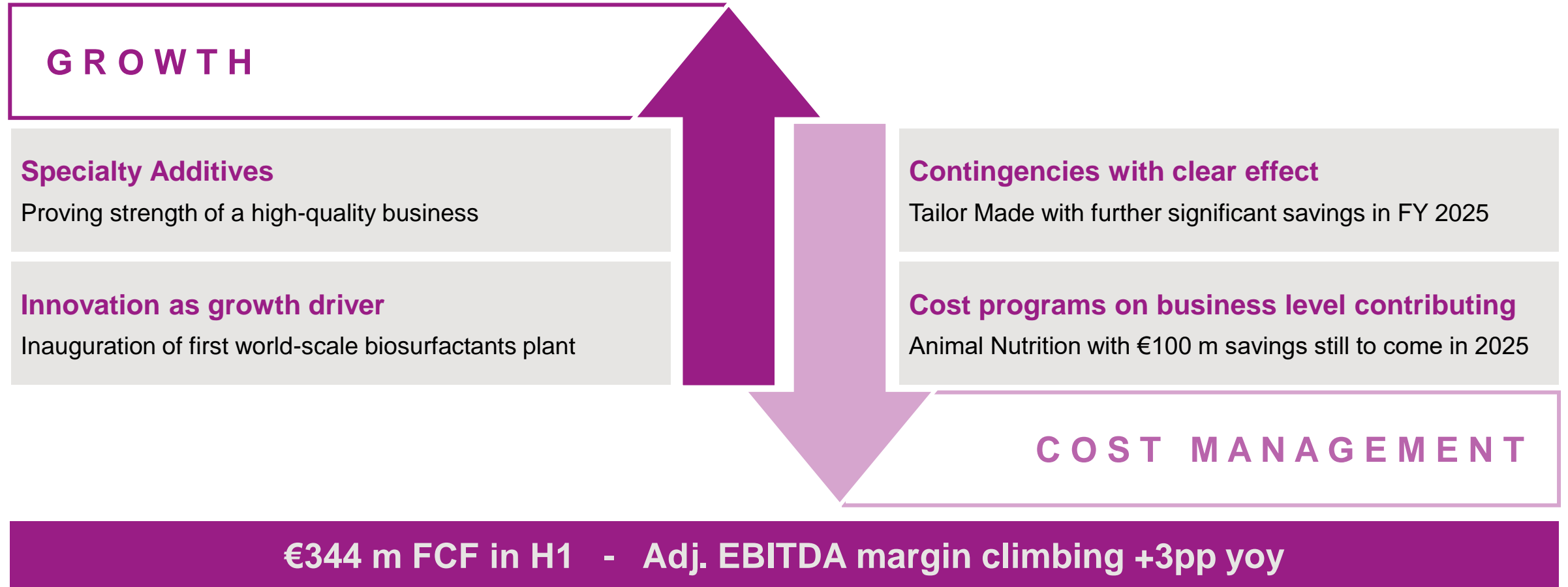
Portfolio aligned to sustainability

Sales share with solutions with a clearly positive sustainability profile; target of >50% by 2030

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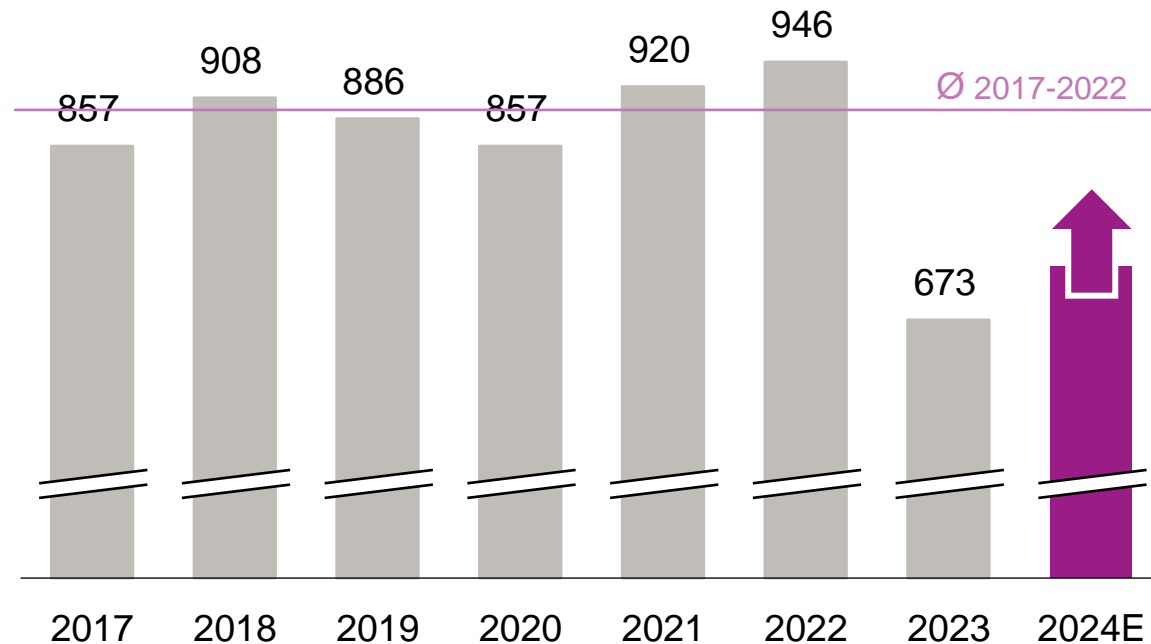
1. Evonik at a glance
- 2. Consistent strategy execution coming through in the numbers**
3. Financial performance Q2 2024

Consistent strategy execution coming through in the numbers



Specialty Additives with good recovery in 2024

Adj. EBITDA of Specialty Additives (in € m)



Stability on high levels until 2022

T(r)ough year 2023

- De-stocking and weak demand to an unusual degree
- Adj. EBITDA falling 25% below historical average

Good recovery in 2024 (yoy)

- Volumes recovering: +5% in Q1 and +11% in Q2
- Leading to +10% adj. EBITDA growth in Q1 and Q2

Proving strength of the “Specialty Additives Play”

- Small volume and cost share in final product – but making the difference in performance and sustainability
- High degree of customer intimacy
- Mastering a complex product & technology portfolio

First world-scale biosurfactants plant inaugurated in May 2024

Biosurfactants enable sustainability and performance in various applications



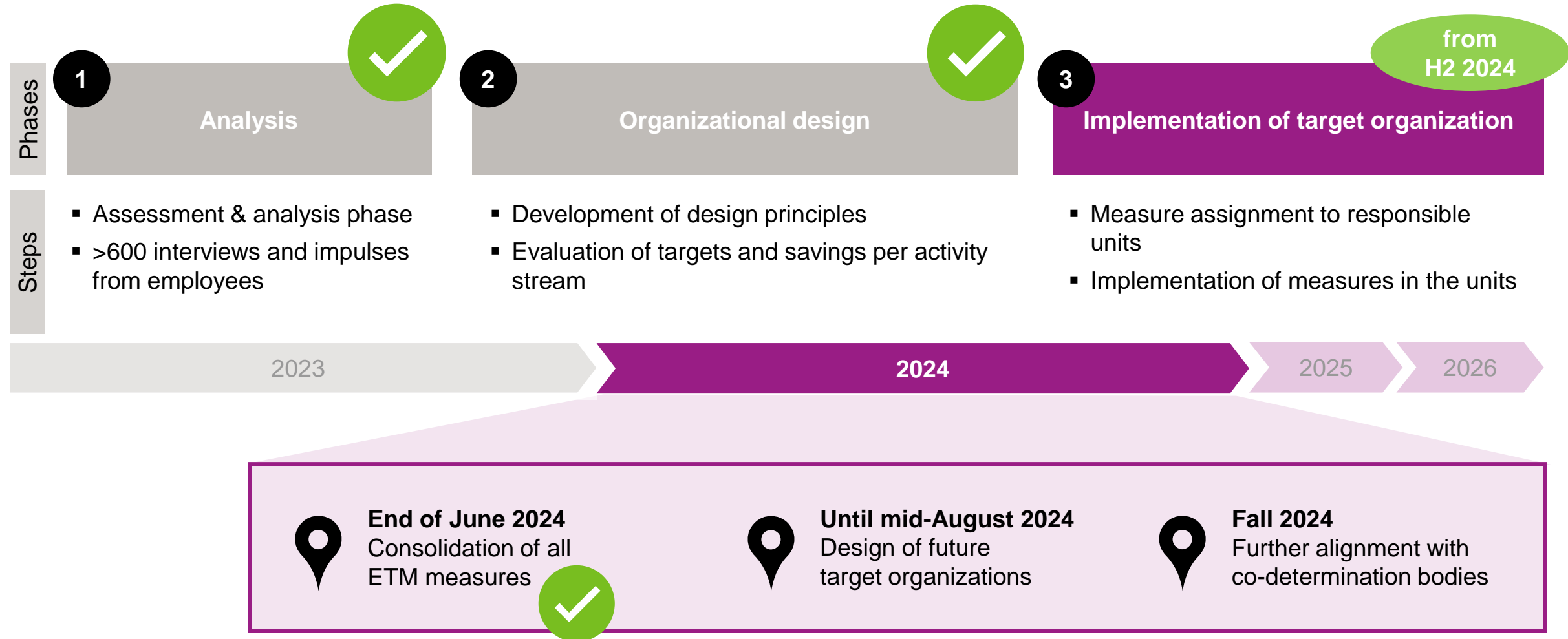
Biosurfactants
with
superior performance
and
sustainability properties

Market potential of
>€1 bn in 2032
→ **Evonik perfectly
positioned as 1st mover**

Special focus on
highly differentiated
**applications
with clear USPs**
(Cosmetics, Cleaning, Agriculture,
Coatings, Animal Nutrition)

**Strong demand for
Biosurfactants**
Plant expected to be
fully utilized
end of 2026

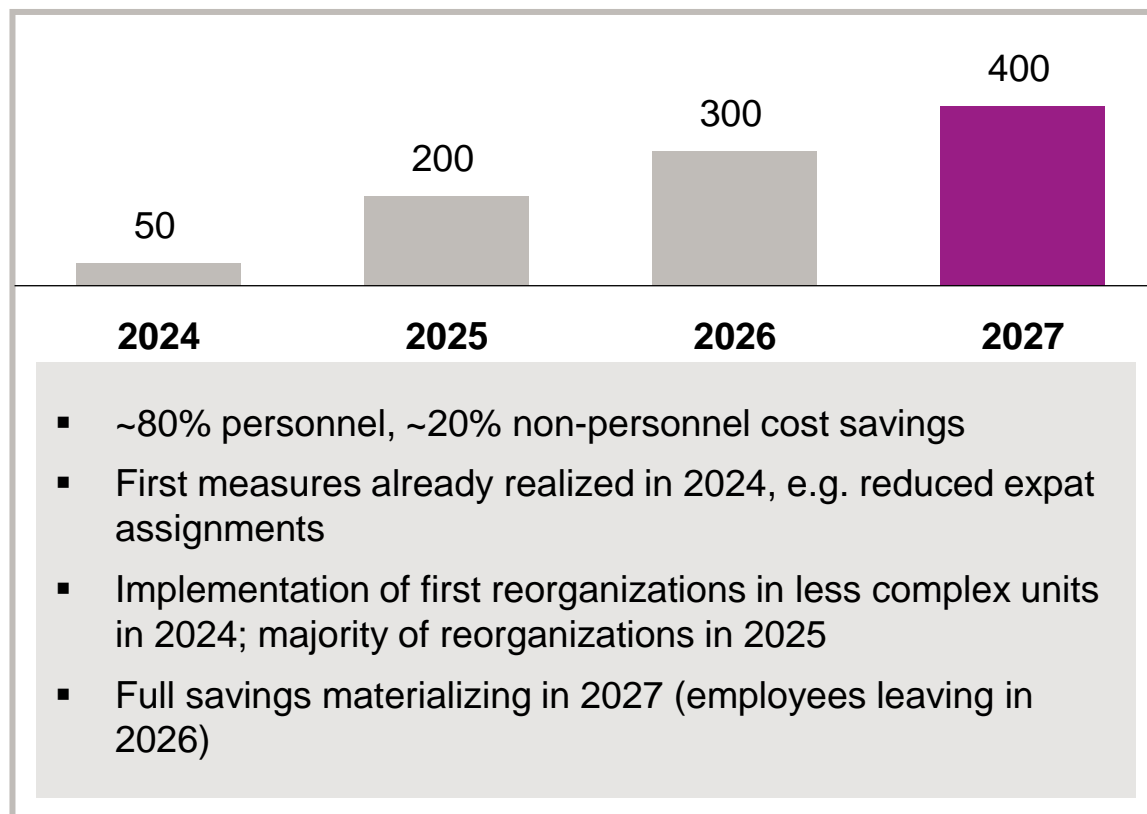
Evonik Tailor Made program entering 3rd stage



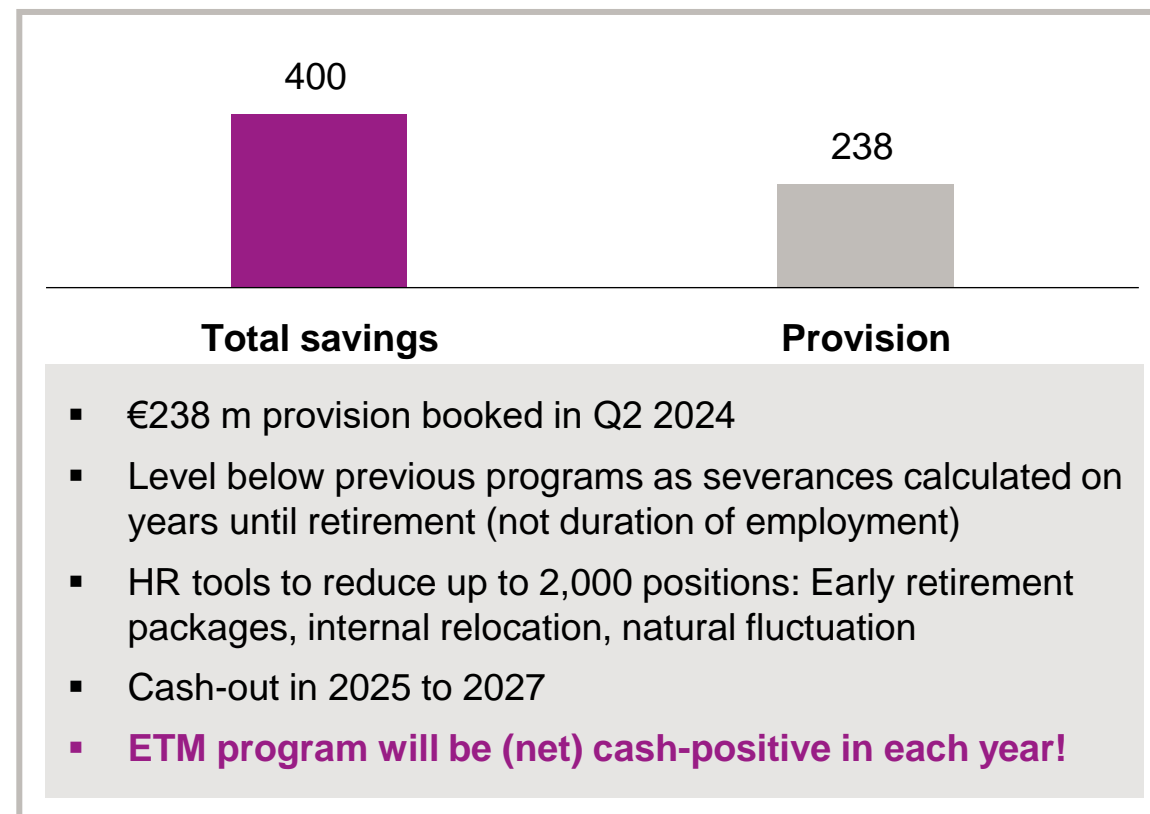
Evonik Tailor Made

First material savings in FY 2025 - (net) cash-positive in each year

Phasing of cost savings¹ (cumulated; in € m)



Total savings and Provision



1. Final numbers subject to further alignment with co-determination bodies

Business optimization programs

Strengthening long-term competitiveness of Animal Nutrition business

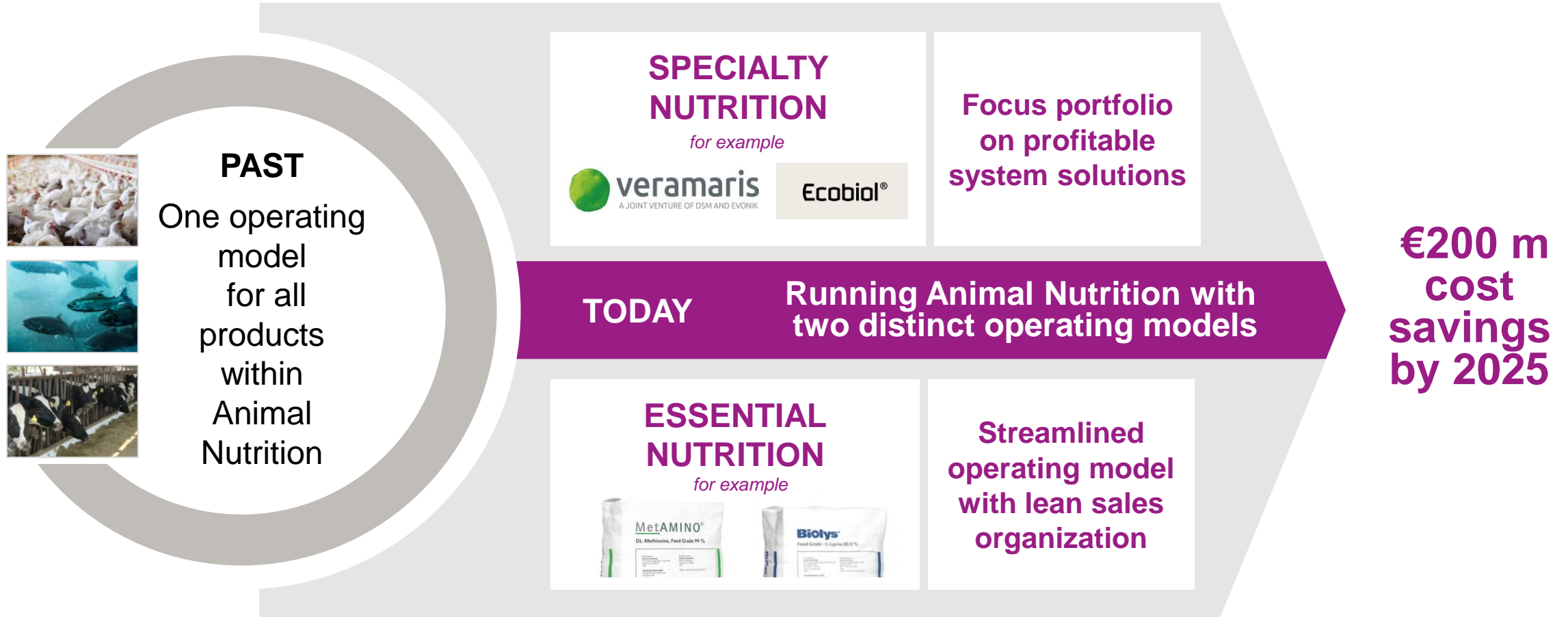


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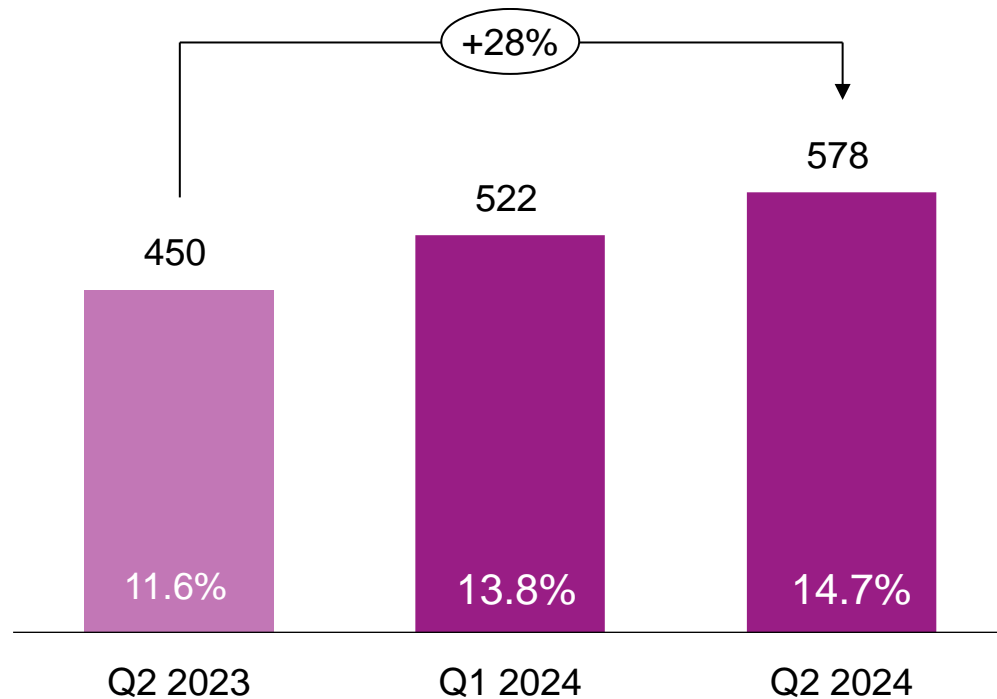
1. Evonik at a glance
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Q2 2024 results overview

Sales (in € m)	Adj. EBITDA (in € m)	Free cash flow (in € m)	Adj. EPS (in €)
3,930 (Q2 2023: 3,886)	578 (Q2 2023: 450)	217 (Q2 2023: -203)	0.50 (Q2 2023: 0.26)
Positive volumes (+5% yoy) and solid price levels	Strong performance mainly supported by increasing utilization, cost savings and lower input costs	Higher EBITDA as starting point, lower bonus payout plus continued strong NWC & capex discipline	Higher earnings and lower D&A, while interest result more negative

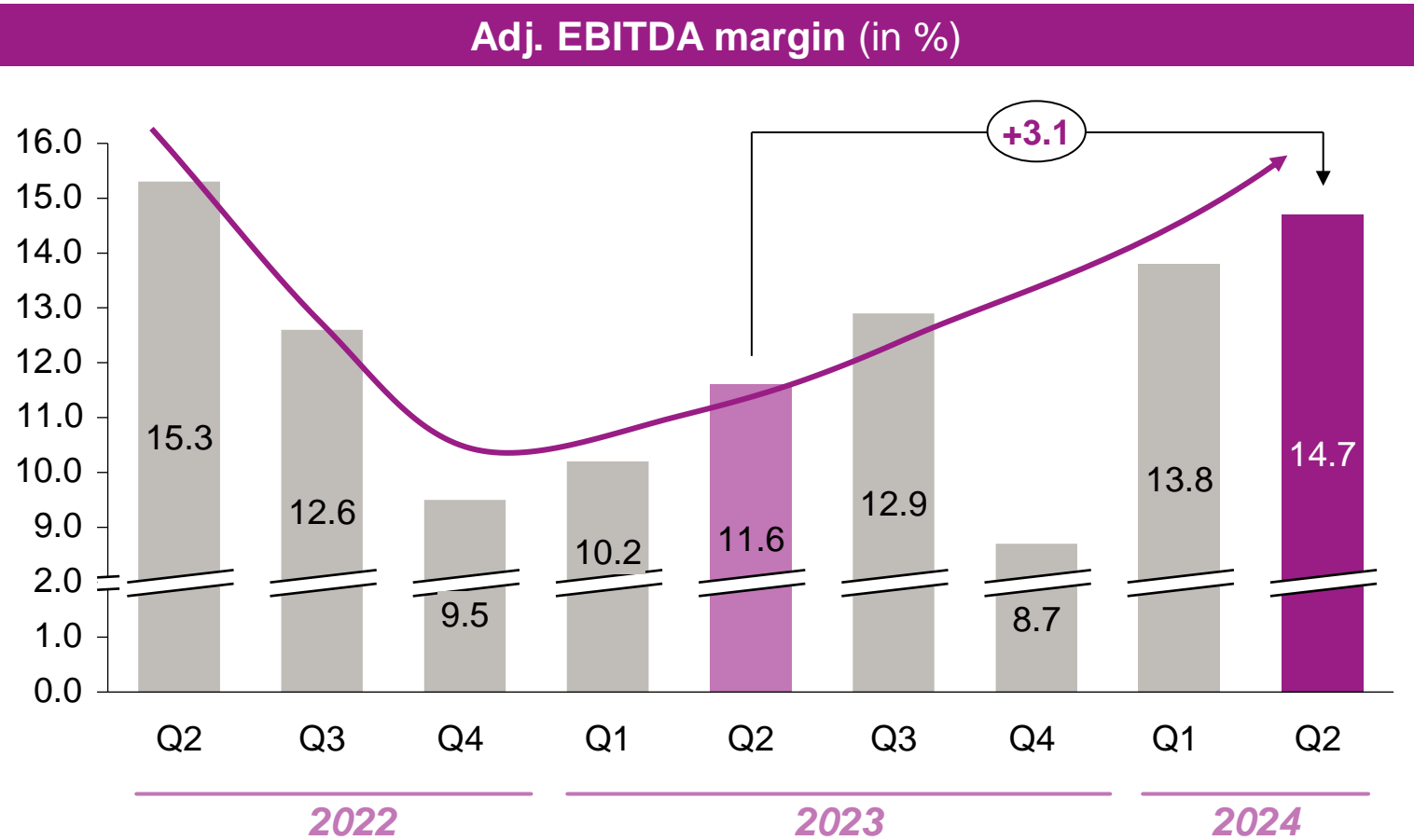
Adj. EBITDA well above prior year and further improved vs already good Q1

Adj. EBITDA (in € m) / Margin (in %)



- **Adj. EBITDA +28%** vs prior year
 - despite provisions of ~-€30 m, thereof ~-€20 m bonus provisions
- Further **improvement by 11%** to already good **Q1**
- **Adj. EBITDA development** supported by
 - Good volumes in Specialty Additives
 - Continued strict cost discipline
 - Price recovery in Animal Nutrition
 - Lower variable costs

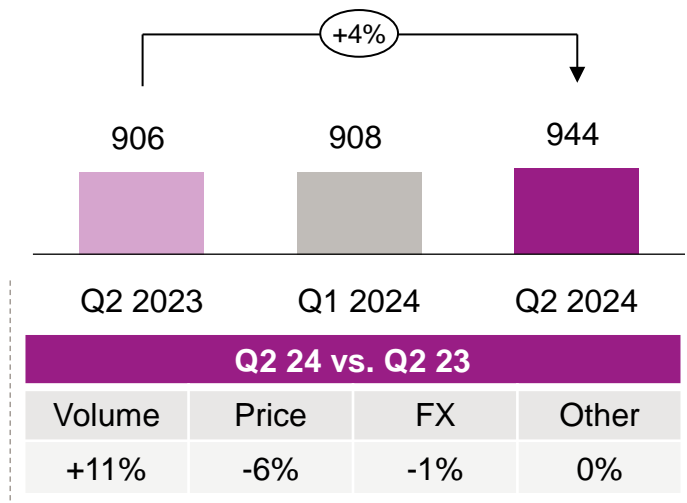
Adj. EBITDA margin recovering – further potential ahead



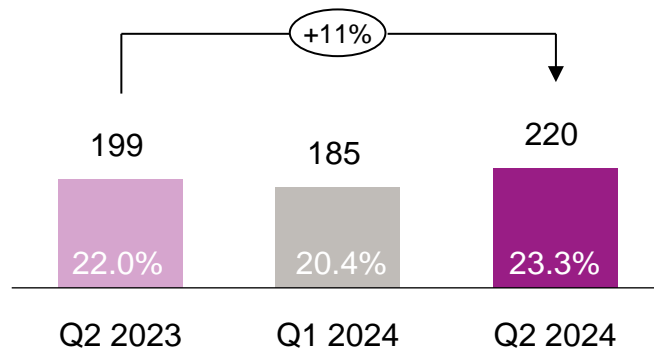
- **Volume leverage** showing first positive effects
- ... with further potential from capacity utilization still below average
- **Cost savings programs and contingency measures** with material benefit
- ... with further significant savings in implementation

Specialty Additives

Sales (in € m)



Adj. EBITDA (in € m) / margin (in %)



- Strong double-digit volume recovery yoy – and a further volume step-up qoq
 - Coating and lubricant additives up strongest
 - Coatings better across most markets, incl. architectural and printing/inks; regionally Asia and EMEA strong
 - Lubricants seeing increased demand, incl. automotive
- Volume growth resulting in improved asset utilization
- Combined with support from cost savings and lower variable costs, margin climbing back to above 23%

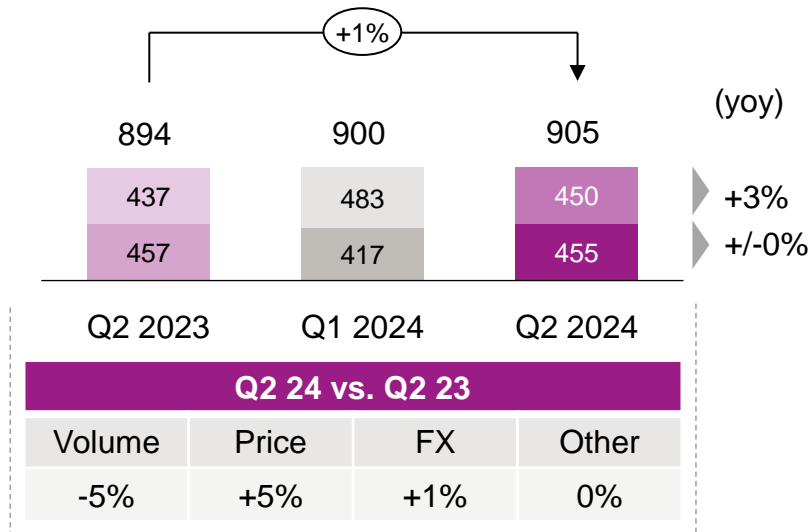


Nutrition & Care

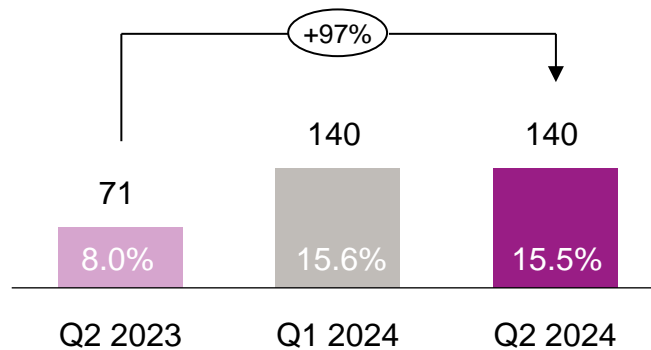
Sales (in € m)

Animal
Nutrition

Health &
Care



Adj. EBITDA (in € m) / margin (in %)



- Overall benefit from lower variable costs and ramp-up of cost savings

Health & Care

- Care Solutions with positive trend especially in Active Ingredients
- Health Care with usual seasonality (earnings H2-weighted with Q4 as strongest quarter)

Animal Nutrition

- Q2 with lower volumes from expansion shutdown in Singapore, compensated by further sequential price step-up
- Q3 earnings expected to be higher qoq as all plants are running again

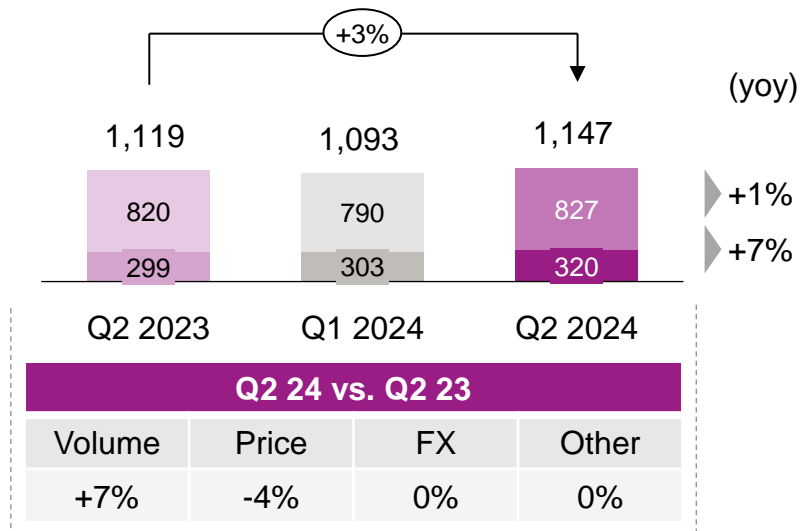


Smart Materials

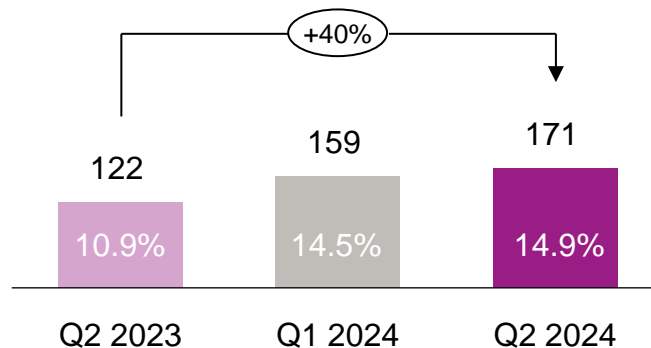
Sales (in € m)

Inorganics

Polymers



Adj. EBITDA (in € m) / margin (in %)

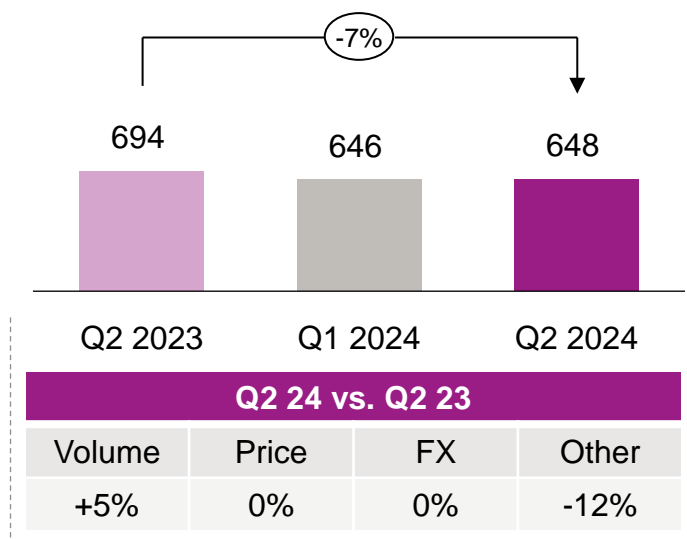


- Smart Materials continues recovery
- Virtually all businesses with positive volume development yoy
- Clearly improved operating performance also vs. Q1, which included a license income for hydrogen peroxide
- Biggest improvements coming from Inorganics, esp. Silica for Automotive applications
- Margin up +4pp yoy:
 - Mainly explained by last year's planned shutdown of PA12 plant in Marl, Germany
 - ... as well as good cost control

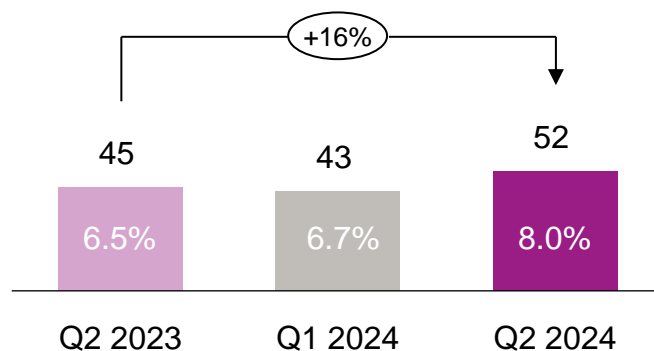


Performance Materials

Sales (in € m)



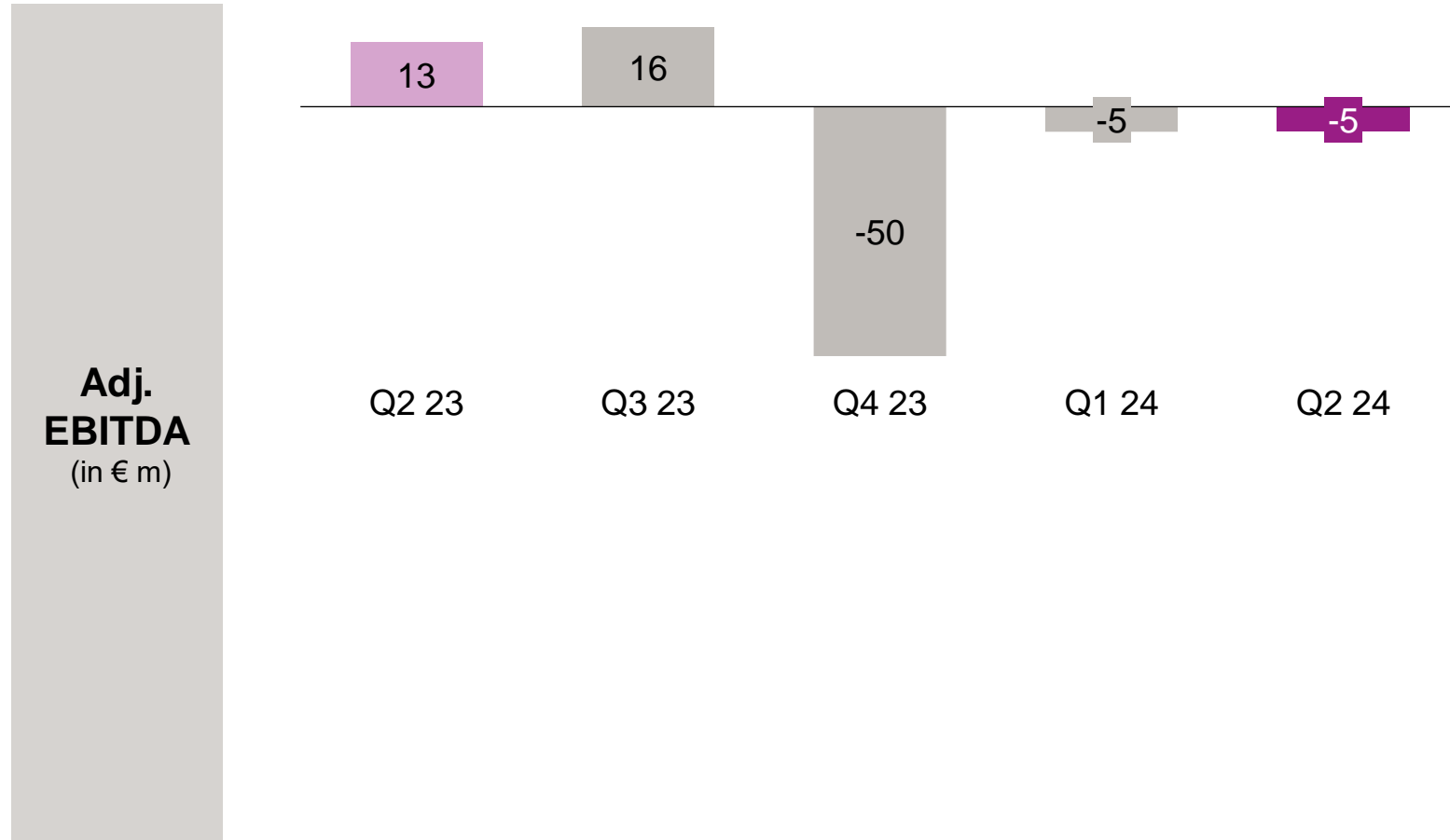
Adj. EBITDA (in € m) / margin (in %)



- April & May benefitted from disruptions of global supply chains in oxo-alcohol and plasticizers business; market normalized again in June
- Recovery in Butadiene spreads, while MTBE spreads coming down from high levels of recent months
- Superabsorbers still included until closing (expected in Q3)



Technology & Infrastructure / Other



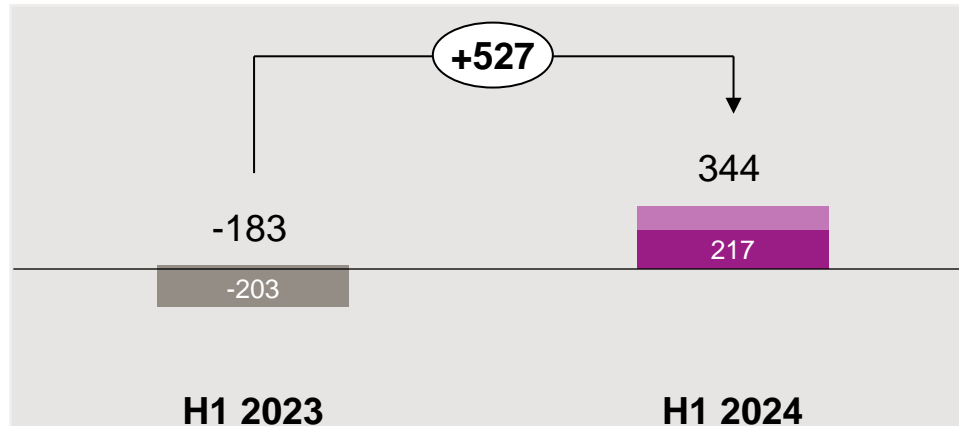
Q2 2024

- Including ~€20 m negative effect from provisions (out of €30 m in total in Q2 on Group level), for variable remuneration as well as other provisions
- EBITDA would have been positive without provision effect
- Mainly driven by T&I: positive effects coming from higher contributions from logistics activities and cost-cutting measures

Free Cash Flow H1 2024 with strong positive swing yoy

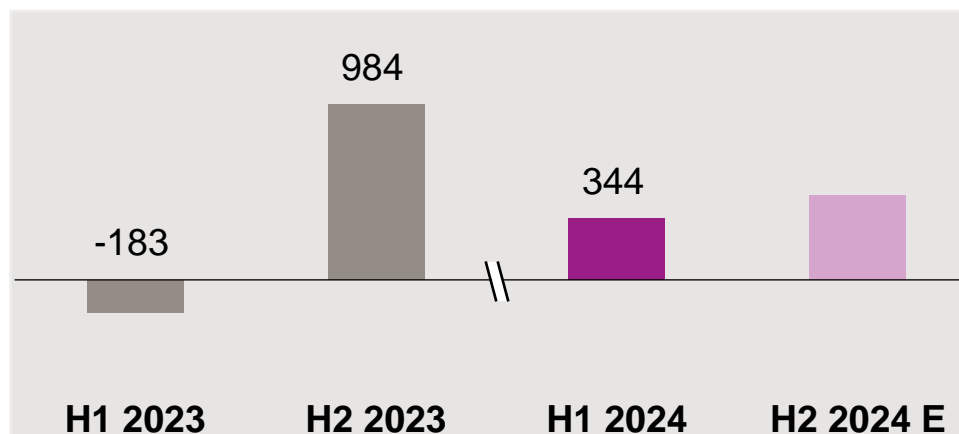
Overall, cash generation more evenly distributed in 2024

FCF H1 (in € m)



- H1 FCF with **positive swing of >€500 m yoy**
- **Q2 FCF of €217 m** (vs. -€203 m prior-year)
 - Higher adj. EBITDA as starting point (+€128 m)
 - Delta bonus provisions + cash out (~ +€100 m each)
 - Lower capex (+€94 m)

FCF distribution (in € m)

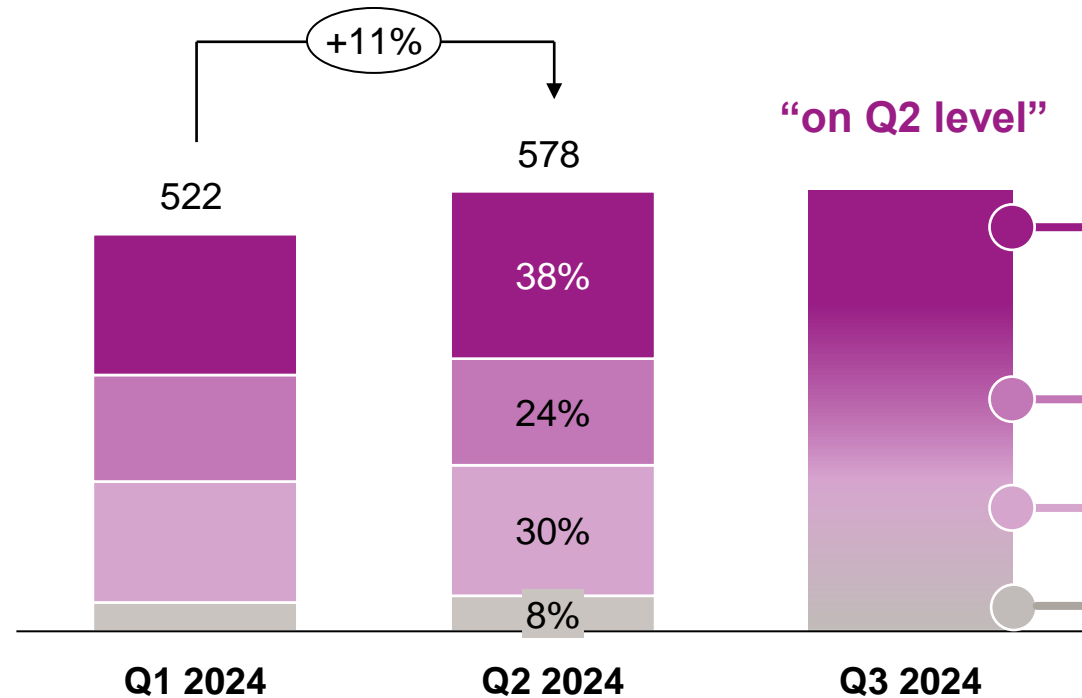


- **Cash generation in 2024 more evenly distributed**
 - FY 2023 with weaker H1 and strong catch-up in H2, driven by NWC development
 - FY 2024 with more even distribution between H1 and H2 expected

Q3 expected to continue on Q2 level

Expected adj. EBITDA development in Q3 2024

in € m ■ Specialty Additives ■ Nutrition & Care ■ Smart Materials



Specialty Additives

- Operating trends for the start of Q3 similar to Q2
- Potentially slightly lower volumes during summer months

Nutrition & Care

- Higher volumes in Animal Nutrition after expansion shutdown in Singapore in Q2
- Health Care with usual H2-weighted seasonality

Smart Materials

- Operating trends for the start of Q3 similar to Q2

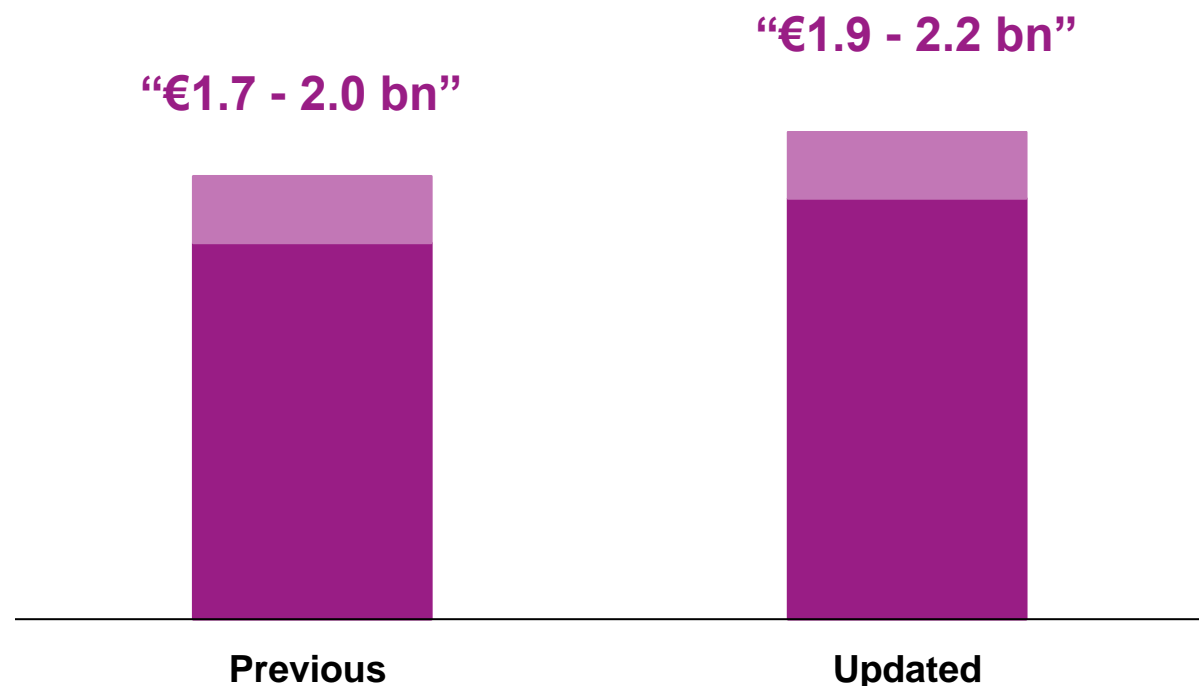
Performance Materials

- More normalized market environment in Q3 after temporary disruptions of global supply chains in Q2 (esp. oxo-alcohol and plasticizers business)

Adj. EBITDA range lifted by €200 m

Adj. EBITDA expected between €1.9 and €2.2 bn

Adj. EBITDA outlook 2024

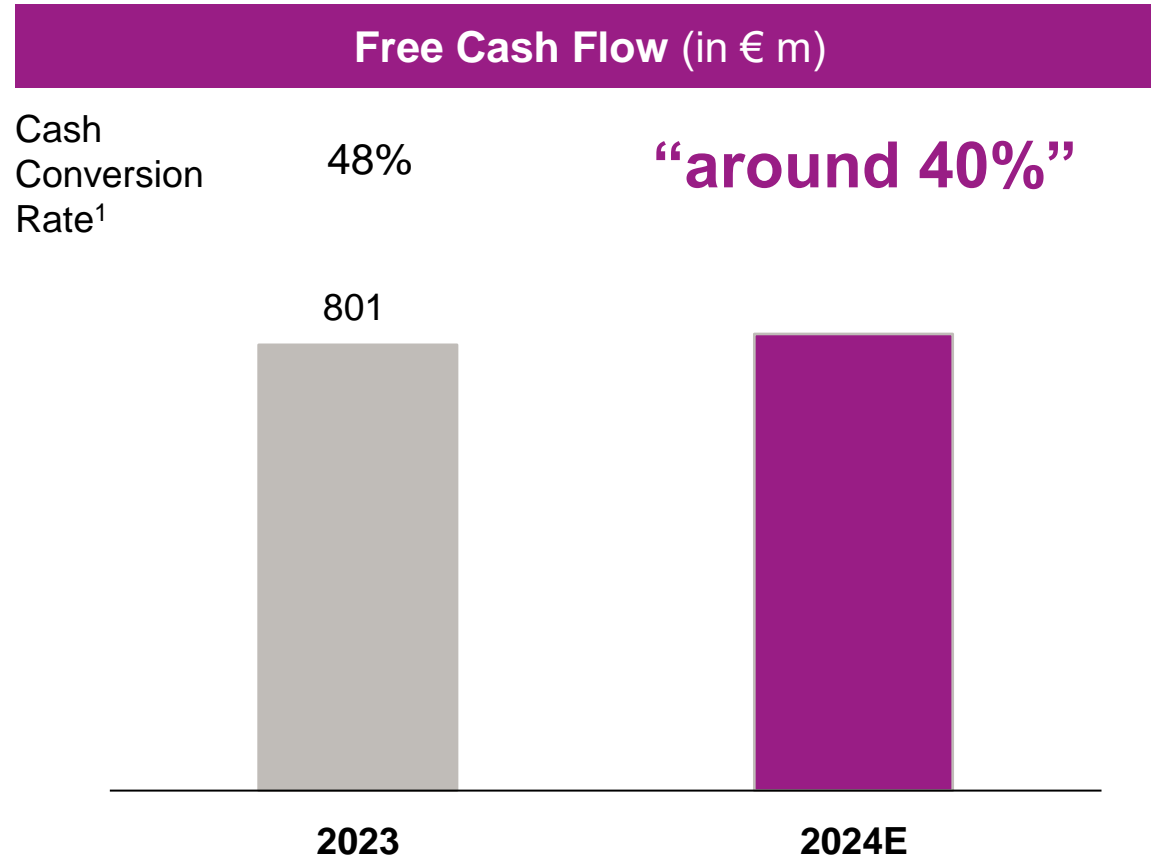


Drivers for better-than-expected performance

- Better-than-expected development across all divisions:
 - **Specialty Additives** with clearly higher volumes and capacity utilization; managing well in a challenging Crosslinkers market
 - **Nutrition & Care:** H2 price level in Animal Nutrition more stable than expected at beginning of the year; Active Ingredients for Cosmetics back on over-proportional growth path
 - **Smart Materials:** positive development for Silica
 - **Performance Materials:** improved spreads and margins from low 2023 levels

Unchanged portfolio vs. year-end 2023 (Performance Materials incl. Superabsorber)

Free Cash Flow outlook confirmed: Targeting ~40% conversion



Building blocks for FCF development

Better **operating result** yoy

Continued **capex**² discipline:
~€750 m targeted; ~€40 m lower yoy









~€100 m yoy lower **bonus payments** in FY 2024 (for 2023)

NWC outflow expected
(vs exceptionally high inflow in 2023)

Slightly lower **cash taxes** expected

1. Free cash flow conversion (FCF / adj. EBITDA) | 2. Cash outflow for investment in intangible assets, pp&e

Outlook upgraded for all divisions

	Former outlook		Updated outlook
	“around prior-year level” (2023: €673 m)		“slightly above prior-year level”
	“considerably above prior-year level” (2023: €389 m)		“significantly above prior-year level”
	“slightly above prior-year level” (2023: €540 m)		“considerably above prior-year level”
	“above prior-year level” (2023: €111 m)		“significantly above prior-year level”

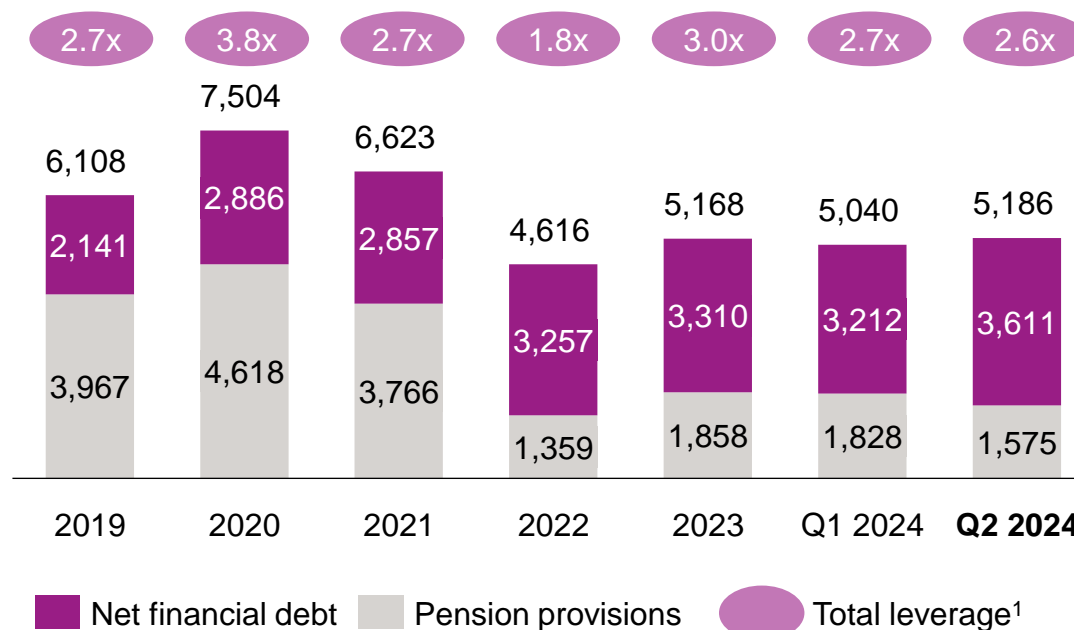
Additional indications for FY 2024 (all unchanged vs Q1)

Sales	between €15 and 17 bn (FY 2023: €15.3 bn)
ROCE	significantly above the low level of 2023 (FY 2023: 3.4%)
Capex¹	around €750 m (2023: €793 m)
EUR/USD sensitivity²	+/-1 USD cent = -/+ ~€10 m adj. EBITDA (FY basis)
Adj. EBITDA T&I / Other³	slightly negative adj. EBITDA (2023: -€57 m); positive effect from termination of “service dividend”, negative effect from higher bonus provisions
Adj. D&A	around €1 bn (FY 2023: €1,135 m)
Adj. net financial result	slightly more negative than prior year due to interest rate increase vs previous year (FY 2023: -€103 m)
Adj. tax rate	around long-term sustainable level of ~30% (FY 2023: 33%)

1. Cash outflow for investment in intangible assets, pp&e | 2. Including transaction effects (after hedging) and translation effects; before secondary / market effects | 3. Excl. “service dividend” (-€82 m in FY 2023)

Development of debt and leverage over time

(in € m)



	2019	2020	2021	2022	2023	Q1 2024	Q2 2024
Adj. net debt ²	5,858	7,254	6,373	4,366	4,918	4,790	4,926

	2019	2020	2021	2022	2023	Q1 2024	Q2 2024
Adj. EBITDA (last 12 months)	2,153	1,906	2,383	2,490	1,656	1,769	1,897

	2019	2020	2021	2022	2023	Q1 2024	Q2 2024
German pension discount rate (%)	1.3	0.9	1.3	4.1	3.5	3.5	3.8

1. Adj. net debt / adj. EBITDA | 2. Net financial debt – 50% hybrid bond + pension provisions
3. Before impairment

Net financial debt (€3,611 m)

- Net financial debt increased qoq; dividend payment (€545 m) going against strong FCF
- Leverage reduced due to increase of adj. EBITDA (LTM)

Pension provisions (€1,575 m)

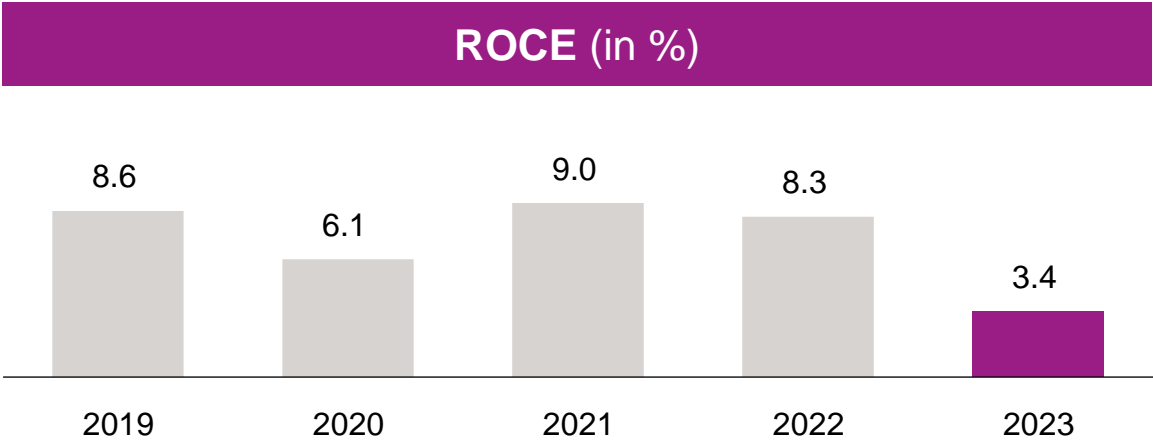
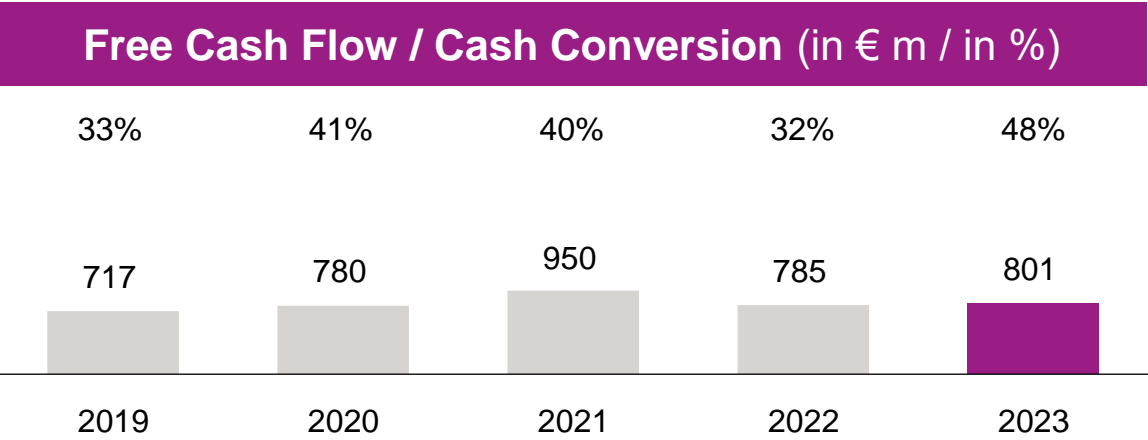
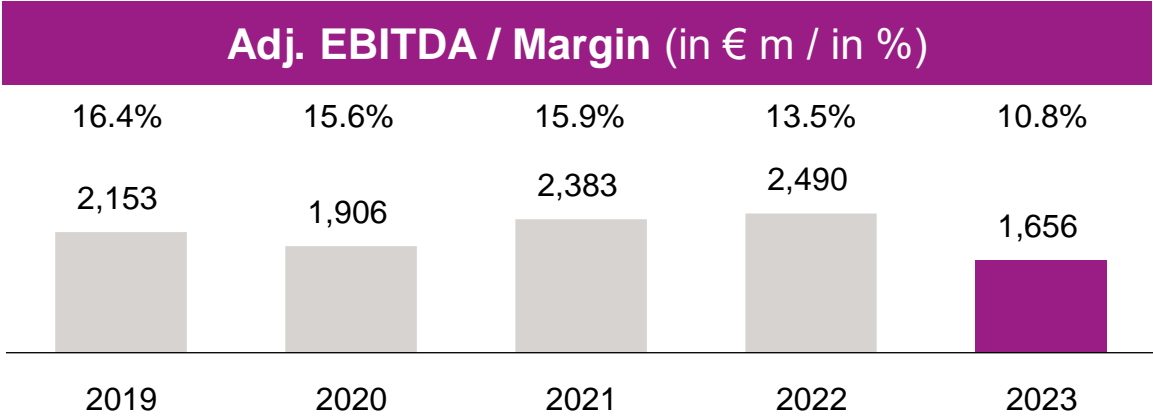
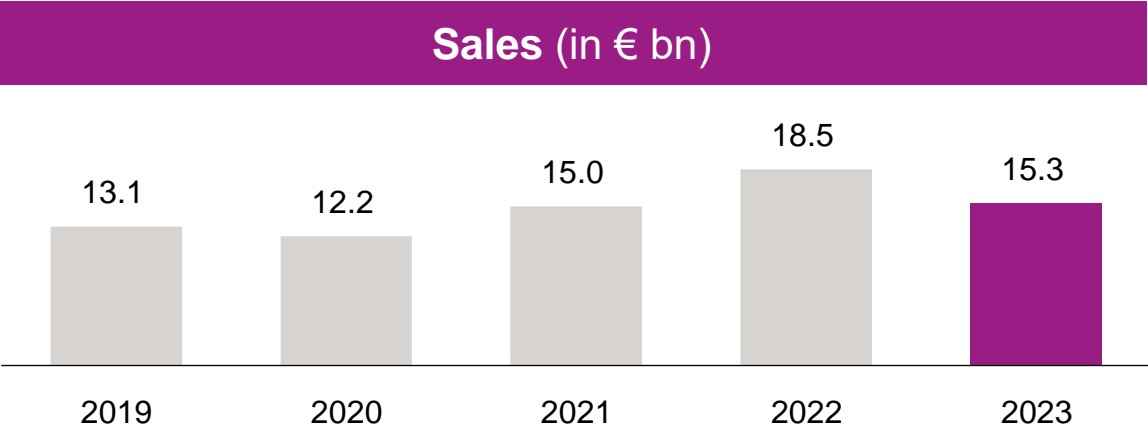
- Long-dated pension obligations with ~14 years duration
- Lower pension provisions due to higher discount rates qoq
- Pension provisions partly balanced by corresponding deferred tax assets of ~€0.3 bn³

Divisional overview by quarter

Sales (in € m)	FY 2022	Q1/23	Q2/23	Q3/23	Q4/23	FY 2023	Q1/24	Q2/24
Specialty Additives	4,184	921	906	882	811	3,520	908	944
Nutrition & Care	4,237	886	893	924	908	3,611	900	905
Smart Materials	5,240	1,188	1,119	1,100	1,054	4,461	1,093	1,147
Performance Materials	3,253	707	694	616	532	2,549	646	648
T&I / Other	1,574	303	274	249	300	1,126	249	286
Evonik Group	18,488	4,005	3,886	3,771	3,604	15,267	3,796	3,930

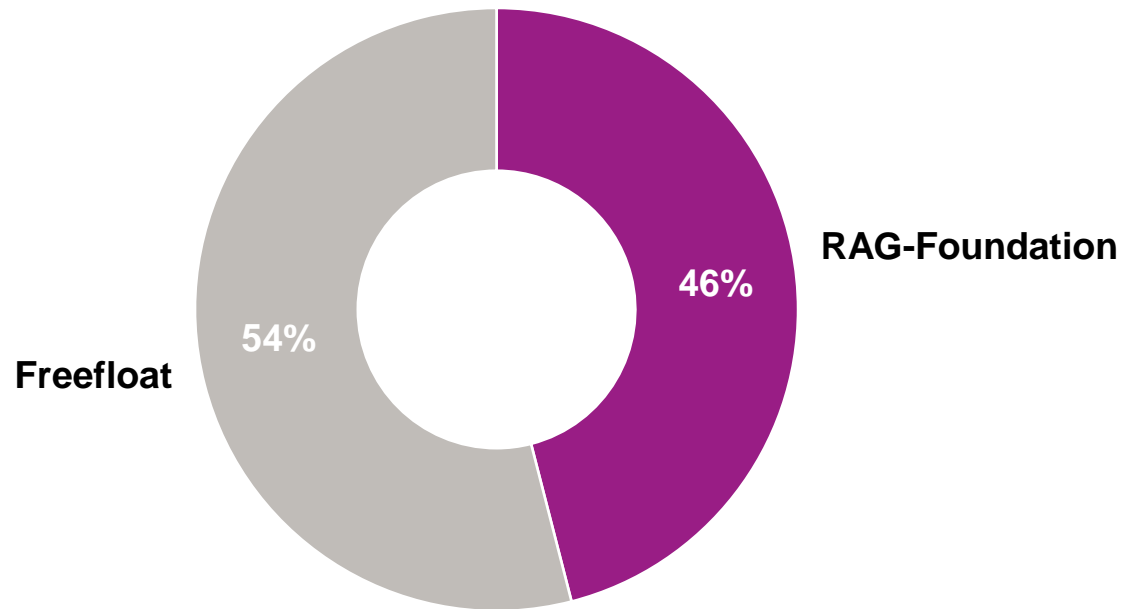
Adj. EBITDA (in € m)	FY 2022	Q1/23	Q2/23	Q3/23	Q4/23	FY 2023	Q1/24	Q2/24
Specialty Additives	946	168	199	173	134	673	185	220
Nutrition & Care	677	76	71	127	115	389	140	140
Smart Materials	743	164	122	135	119	540	159	171
Performance Materials	350	37	45	34	-4	111	43	52
T&I / Other	-226	-36	13	16	-50	-57	-5	-5
Evonik Group	2,490	409	450	485	312	1,656	522	578

Five-year financial review



Shareholder structure

Shareholder structure of Evonik Industries AG



ANNUAL PRESS CONFERENCE OF RAG-STIFTUNG, JUNE 11, 2024

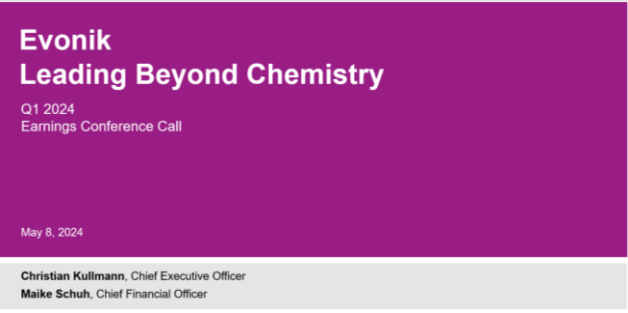
Bernd Tönjes, chairman of the RAG-Stiftung:

"The foundation will remain the largest shareholder and a strong anchor shareholder, currently holding just under 47% of the shares in Evonik. The long-term goal is **to hold 25.1%** in fixed assets. How close we are already to this goal becomes clear when you consider that **we currently still have exchangeable bonds with a volume of €2 billion outstanding. This corresponds to a further almost 20% of Evonik shares that we hold for a possible exchange at maturity.** If you have now done the math, you will find that there is not much missing from the aforementioned 25.1% and **thus the much-cited "overhang" no longer exists.**"

Appendix

1. Evonik at a glance
2. Executing well against a difficult market backdrop
3. Financial performance Q4 / FY 2023
- 4. IR team and further presentations**

Discover more in our presentations and factbooks



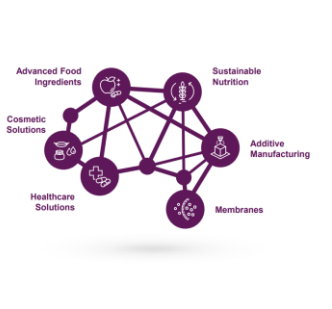
Q1 Earnings Conference Call Presentation



Evonik Company Factbook



Sustainability Factbook



Innovation Factbook

Upcoming IR events

Conferences & roadshows

August 8, 2024	Frankfurt Roadshow (Oddo)
August 8, 2024	London Roadshow (Exane)
August 21, 2024	Zurich Roadshow (Jefferies)
September 3, 2024	Corporate Conference, Frankfurt (Commerzbank/Oddo)
September 4, 2024	Chemicals CEO Call Series (JP Morgan)
September 11, 2024	Food Ingredients & Chemicals Conference, London (Berenberg)
September 24, 2024	Corporate Conference, München (Berenberg/Goldman Sachs)
September 26, 2024	Strategic Decision Conference, London (Bernstein)

Upcoming reporting dates & events

November 6, 2024	Q3 2024 Reporting
March 5, 2025	Q4/FY 2024 Reporting

Evonik Investor Relations team



Tim Lange
Head of Investor Relations

+49 201 177 3150
tim.lange@evonik.com



Katharina Gayk
Team Assistant

+49 201 177 3141
katharina.gayk@evonik.com



Janine Göttel
Team Assistant

+49 201 177 3146
janine.goettel@evonik.com



Christoph Finke
Director Investor Relations

+49 201 177 3145
christoph.finke@evonik.com



Cédric Schupp
Director Investor Relations & ESG

+49 201 177 3149
cedric.schupp@evonik.com



Johanna Göbel
Manager Investor Relations

+49 201 177 3148
johanna.goebel@evonik.com



Gevitha Selvakumar
Manager Investor Relations & ESG

+49 201 177 3142
gevitha.selvakumar@evonik.com

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EVONIK

Leading Beyond Chemistry